



JON M. HUNTSMAN, JR.
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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

July 25, 2007

Darrell Boepple
Black Gold Organic Fertilizer
3802 47th Street
Lubbock, Texas 79413

Subject: Reclamation Surety Required, Black Gold Organic Fertilizer, Rhea Rae Mine, S0190064, Task 1874, Grand County, Utah

Dear Mr. Boepple:

The Division finds your Notice of Intention to Conduct Small Mining for the Rhea Rae Mine complete, but before you conduct mining activities, the Division must approve the reclamation surety. The reclamation surety is determined to be \$20,700.00 for the 4.65-acre project escalated to year 2010 and \$22,300.00 if escalated to 2012.

The reclamation surety can be submitted in the form of cash (certified funds), a certificate of deposit, a letter of credit, or a corporate surety. Please contact the Division's bonding coordinator, Jed Pearson, for information about submitting the surety. He can be reached at 801-538-5382 or by e mail at bondcoordinator@utah.gov.

Thank you for your cooperation in finalizing this permitting action. In reply, please refer to file number S0190064. If you have questions with this letter, please contact me at 801-538-5258 or Paul Baker at 801-538-5261.

Sincerely,

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:PBB:pb

cc: John Blake, SITLA

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From: William Stokes
To: Paul Baker
Date: 7/20/2007 11:29 AM
Subject: Rhea Rae Mine

Paul: I have received an E-mail from John Blake regarding reclamation bonding for S0190064 which is situated on trust lands and held under lease ML 50751. It is estimated that the project will encompass 4.76 acres even though the mine area will include only 1.55 acres. Taking into consideration land use for processing equipment, pond and other land uses I concur with your estimate of the standard amount for five acres which is \$20,700.00